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AUTHOR Cabot, Louis W.
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ABSTRACT

The contributions that business and industry can make to help colleges and universities maintain high standards of teaching, scholarship, and research are considered. Four recent studies that address the deterioration in educational standards are noted, and the problems that confront colleges and universities are identified. It is suggested that business should support university research, possibly in the form of research grants or research cooperation, fellowships for young researchers, or gifts of equipment. Corporations should also allocate financial support to the general mission of colleges for activities that may not relate directly to their business interests (e.g., libraries, general scholarships, faculty development). In addition, business and industry can encourage collaboration between colleges and school systems. Business is going to have to commit some resources directly to the schools or associations representing schools. Many companies are providing the following support: lending personnel as adjunct teachers and advisers, offering management refreshers to school administrators, helping with facilities and equipment, and providing summer opportunities for teachers and students. (SW)

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LOUIS W. CABOT

Louis W. Cabot, chairman of Cabot Corporation, has long been concerned with higher education and is a tireless advocate of high quality in American teaching, scholarship and research. He earned his A.B. and M.B.A. degrees from Harvard and has served that institution as overseer. He is a member of the executive committee of the MIT Corporation, a trustee of Northeastern University and received an honorary doctor of laws from Norwich University. He was chairman of the Sloan Commission on Government and Higher Education, which in 1980 published a provocative report on relations between colleges and universities and the federal government. In 1981, the New England Chapter of the Council for Advancement and Support of Education gave him its "Distinguished Friend of Education" award.

Mr. Cabot serves as a director of Owens-Corning Fiberglas, R.R. Donnelley & Sons and Wang Laboratories and is a past chairman of the Federal Reserve Bank of Boston. He is a member of the Business Council, vice chairman of the Brookings Institution, a trustee of the Boston Museum of Science and a fellow of the American Academy of Arts and Sciences.

Since 1977, Mr. Cabot has been chairman of the Committee for Corporate Support of Private Universities, Inc., which joined with CFAE in 1983. Among the first fruits of this happy development was Mr. Cabot's election to the Council's Board of Directors and his appearance November 1, 1983, before the CFAE Cleveland Committee. His remarks on that occasion are reprinted here.

Encouraging Quality

A Role for Corporations in Educational Renewal

The Council for Financial Aid to Education has come a long way in its first 30 years. Back in 1953, it was able to record some $60 million in corporate support of education; now the figure is nearly $1 billion, and total private gifts are $5 billion. And we have come a long way in our appreciation of the stake business and education have in each other's vitality. The nation owes a lot to the Council—and to its leadership here in Cleveland.

But, for all our successes, a look around the landscape suggests that concerns about American education are at least as urgent as they were when Frank Abrams, Alfred Sloan and Irving Olds helped organize the Council 30 years ago.

Corporations Must Encourage Quality in Education

These concerns have to do with the quality of American education. And my message to you is that no group in the country is better able to encourage the quest for quality than the business community.

Government has done a big job with respect to quantity—making not only a high school diploma but also a college degree available to just about anyone willing to put in the time for it. And government has worked hard also for equal educational opportunity for the disadvantaged, for minorities and for the handicapped.

But government is less effective in the matter of high standards. One reason is that in our political scheme of things, the drive for excellence can be, and has been, labeled "elitist" and "antidemocratic." But we business people not only live comfortably with excellence, we recognize that it is the cornerstone of our competitive system. We work every day for higher standards up and down the line. We have the clout and credibility to encourage higher standards.

In earlier times, individual entrepreneurs often provided leadership for quality in educa-

tion. I think of men who launched some of our innovative colleges and universities—Andrew Carnegie, George Eastman, Leland Stanford, Cornelius ("Commodore") Vanderbilt, Ezra Cornell, James Duke. Or Albert Gallatin, the banker, who as first board chairman of New York University in the 1830s saw the university as a partner with business in serving a great city. And women, too! Think of Sophia Smith, and Mary Lyon of Mount Holyoke College.

In more recent years, American business has become a system of great corporations governed by boards of directors and led by professional managers. These corporations are filling the shoes of the earlier entrepreneurs in supporting education's drive for excellence. And there is plenty of room for more!

Our Educational System Has Had Many Successes

Step back a moment for some perspective on what it is we are dealing with. We sometimes forget just how immense the educational enterprise is.

This fall, education is the *primary* activity of more than 60 million Americans. That is more than one out of four. There are more people employed full-time in our schools and colleges than in agriculture. And we will be spending this academic year nearly a *quarter of a trillion dollars* on education.

No other nation comes close to the U.S.A. in providing opportunities for education to all its citizens. Consider:

- We have built an educational system second to none in diversity and scope.
- We lead the world in high-creativity industries—computers and semiconductors, bioengineering, medicine and so on. And in agriculture as well. The basic research done in our universities, and the skills of the people trained in those institutions, made it all possible. It's not lost on the world that once again the U.S. made a clean sweep of the Nobel science awards this fall.
- We have a network of superb private colleges and universities that match and often lead the way for our great system of state-supported in-

stitutions. No nation has the equivalent.

- We have shown that we can do wonders in improving the basic skills of youngsters in our urban schools. When we want to.

There's no doubt that we know what quality is, whether in the most prestigious university graduate department or in a primary-school reading class. The problem is that in our effort to push quantity and equity, we've let things slide. We've allowed quality expectations to sag and standards to deteriorate.

Recent Studies Decry Deterioration in Educational Standards

That is surely the message of the nine reports on education that have been published in the past six months. I am not going to recite the litany of criticism set forth in these studies—you've heard it. But let me comment on four of them which have particular relevance to business, and to supporters of the Council.

A Nation at Risk, from the National Commission on Excellence in Education, was first off the mark last April. It was organized by the government, and the commission included our fellow Council director A. Bartlett Giamatti, president of Yale. This "open letter to the people" was the fire bell in the night, to awaken us to the threat to the nation from a deterioration of our schools. It may have overstated the case—but that is how we get action in this country.

In May, the Task Force on Education for Economic Growth published *Action for Excellence*. It was chaired by the governors of North Carolina and Delaware, and by Frank Cary of IBM, a strong supporter and former director of CFAE. The Task Force underlined the link between the state of America's schools and our economic vitality, with plenty of suggestions for business action.

In September, we got the report of the National Science Board's Commission on Precollege Education in Mathematics, Science and Technology. It warned that our children could become "stragglers" in the world of technology and that the nation could become an "industrial dinosaur." My colleague Cecily Cannan Selby, who has been a director of the Committee for Corporate

Support of Private Universities and a member of the MIT Corporation, was cochairman. She and her associates recommended a sweeping national investment in upgrading science and math teaching—and a broad effort to teach the application of technology, and how it affects our lives, to everyone.

Later on in September, the Carnegie Foundation for the Advancement of Teaching released its report, *High School*, funded by Carnegie Corporation and the Atlantic Richfield Foundation (another Council stalwart). The Carnegie Foundation's president, Ernest Boyer, emphasized that the quality of education depends in large measure on the "quality of connections" between our schools and colleges and other segments of the society.

In some ways, this is the most interesting report—and among the more optimistic in that it argues that reform of American education is already under way. But that reform has a long way to go!

What comes through all the reports, loud and clear, is the need for closer cooperation between schools and colleges, and between those institutions and industry. These are the "quality connections" that Dr. Boyer is talking about, and they are surely the business of business—and of the Council.

Corporations Must Participate in Educational Reform

I am optimistic. It does appear that reform is on the way, in fits and starts perhaps, for that is the way we operate. It is coming from the bottom up, as individual school and college administrators work to raise standards. Business people are getting involved—as citizens and parents concerned about their children, and as managers concerned about the long-run health of their companies and their markets.

But there is no "quick fix" in educational renewal. It will require a combination of efforts, varying by community and by institution. We will have to spend more money, to be sure. We will need more leadership at every level of society.

And as you might expect, all eyes are on us in business. Corporations are inundated by re-

quests that we get more deeply involved in education support. It was one thing to have the Council urging that you "give to the college of your choice." But now we have governors, mayors, educators and parents looking to us to help all the schools—from prekindergarten on up!

We have to recognize that education is a "seamless web" from "pre-K" through 12, on through college and graduate school and then to "lifelong learning" for just about everyone. The discontinuity in our thinking of school and college as separate compartments was understandable back when only a small fraction of our people went to college. But today that's not appropriate.

It is significant that tomorrow morning in New York the Council will offer its first workshop for corporation executives on their role in precollege education.

Colleges and Universities Face Many Problems

But I still believe that higher education is where we as corporate leaders can be most directly effective in promoting quality. And the real problems of our colleges and universities haven't gone away just because everyone is now worrying about the schools.

How are we to maintain the highest standards of teaching, scholarship and research in the face of problems like these?

- Declining enrollments, and all that implies for the stronger as well as the weaker institutions.
- Obsolescent and underequipped labs and libraries just when the knowledge explosion is soaring ever higher. Max Planck, the great physicist, propounded an economic "law" which states that the cost of acquiring a unit of knowledge rises as we know more!
- Declining support of basic research, and of the brightest young researchers. Since 1968, there's been a drop in the constant-dollar value of nondefense research funding of about 40 percent.
- The increasing squeeze on the middle-income student, and the danger that private colleges will get only the rich and a small number of poor, while the public institutions get all the rest.

- The shrinking number of new teacher-scholars in the humanities, international studies and social sciences coming into the system.
- And through it all, the unrelenting pressure of rising costs.

A few weeks ago, 70 presidents of Massachusetts colleges and universities, public and private, met to talk about how they can work more effectively together in the face of these problems. At that meeting, Howard Bowen, well-known authority on the economics of higher education, warned that "the makings of a gigantic depression in higher education are all in place." Bowen is still hopeful that this will not happen. But he is worried. And so am I.

Corporations Must Set Priorities for Support

So we must continue strong support of the colleges and universities and urge our business friends to do the same. Let me suggest some priorities.

First, support for university research, and for the people and facilities that sustain it. Dr. Lewis Thomas likes to say that we must keep making deposits in the nation's "knowledge bank," so that it will still be solvent 10, 20, 30 years down the road. He was talking about long-term basic research in our universities—and he is right. Though we have given the federal government most of the responsibility for financing basic research, the system still needs, more than ever, the freedom and flexibility that private support can provide, whether it be in the form of research grants or research cooperation, fellowships for young researchers, gifts of equipment or whatever else.

Second, we should allocate some measure of our financial support to the general mission of the colleges and universities for activities that may not relate so directly to our business interests. Libraries ... general scholarships ... faculty development ... maybe even helping to fix the roof. I am confident that the U.S. will solve specific industry-related problems such as a shortage of engineering scholars and business-school professors. But we have an even larger stake in producing college graduates of broad knowledge and integrity, with an understanding

of the modern world and how to work with people in it. The more I think about the future, the more I realize how desperately we need to deal more effectively with human values: hope and despair, concern and cruelty, generosity and greed, life and death. How can we insure that we are educating leaders for that?

Finally, we can help to strengthen the integrity of the "seamless web" by encouraging our friends in the colleges and universities to collaborate with their counterparts in the schools. We can help forge the "quality connections" that Ernest Boyer talks about. No doubt it is easier for a corporation to work with a college or university it knows than to plunge into support of a school system with its boards, principals, teachers' unions, legions of parents—and inevitable political pressures.

Corporations Can Volunteer Time and Talent

Still, we in business are going to have to commit some resources directly to the schools or associations representing schools, and above all be their advocates. Indeed, many companies are doing just this. Lending personnel as adjunct teachers and advisers ... offering management refreshers to school administrators ... helping with facilities and equipment—and summer opportunities for teachers and students. There are many things a corporation can do, and as often as not they may involve volunteer time and talent rather than large sums of money—such as encouraging the best and brightest employees to serve on school boards.

The business community cannot provide more than a tiny fraction of the money required for a quality renewal in education. That will depend on the national will, as reflected by the taxpayers through their governments. But we can play a critical role by identifying and helping to create "lighthouse" schools and colleges, just as years ago innovative business leaders helped to create "lighthouse" institutions which set standards for the entire world.

Corporations Must Support Excellence

So, let's try to:

Seek out quality. Look for it in a college presi-

dent or a school principal, in a university graduate department or an elementary school. Look for the lighthouse or the "pocket of excellence," as some of our educator friends call it.

Take the long view. Try to make sure that whatever we are asked to support makes educational sense. Institutions are sometimes tempted to come up with new programs which they think will attract quick business support. But they must make sense over the long haul. Many new programs are appearing under the label "high tech." They sound good, and we do need people who can shuffle microchips and program computers. But we in business mostly need people who as employees, customers and voters can read and write and think and work together to make a complex society work. And this means support for the core missions of the schools and colleges.

Preserve diversity. Especially in the mixed private-public higher education system that is so much a national strength. A study several weeks ago by a Columbia University professor predicts that by the year 2000 our colleges and universities will look more and more alike, pressed into greater conformity by a declining student population and fewer resources. Smaller, more specialized institutions, including some of our fine, highly individualistic liberal arts schools, may not be able to make it.

This worries me. Excellence must survive, and it comes in many sizes and shapes, both public and private. Diversity is the hallmark of America, of American business and of American education. Diversity can be our greatest guarantee that there will always be lighthouses showing the way. And diversity is surely a concept which business can encourage with enthusiasm.

So let us in business start thinking of ourselves as the lighthouse builders and lighthouse keepers, and get on with the job.

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